## **◆ CITY CODE ▶**

## WHY DO I HAVE TO CONNECT TO THE SEWER SYSTEM?

Per City Ordinance No. 02-668 adopted February 26, 2002, all properties are required to connect to the sewer system when it becomes available to the property. There will be some properties that will not be connected to the sewer system because of either terrain, location, or cost constraints.

In addition, all systems must be installed in accordance with Lake Havasu City Code, which was adopted to control pollution discharges in response to water quality findings by ADEQ and is consistent with its Revocation of General Aquifer Protection Permit, Docket No. APP-57-02. ADEO will consider any owner/operator who does not hook up to the sewer line themselves or allow Lake Havasu City to do so, after this revocation, to be in violation of State law for discharging without an Aguifer Protection Permit. In such a circumstance, the owner/operator will be subject to enforcement by the ADEO under Arizona Revised Statutes, Title 49, Chapter 2, Article 4.

## **◆ RATES** ▶

#### WHO SETS THE RATES?

Sewer rates are set by Council after recommendations are presented by the City's rate consultant. The consultant models our system to account for operating and maintenance costs, debt service, adequate reserves, estimated construction costs for the expansion program. Rates are adopted after a public hearing is held by Council, and are adopted to meet the bond covenants adopted by Council at the beginning of the WWSE Program. Rates are expected to rise during the expansion period. Current rates can be found in the "Monthly Sewer Charge Calculation" brochure.

## **Lake Havasu City**

Customer Service Finance Department 2330 McCulloch Blvd. N. Lake Havasu City, AZ 86403

Email: yarnoc@lhcaz.gov



## FREQUENTLY ASKED QUESTIONS

## LAKE HAVASU CITY'S SEWER SYSTEM

#### **ACRONYMS USED IN THIS BROCHURE**

#### **ADEQ**

Arizona Department of Environmental Quality

## **CDBG**

Community Development Block Grant

### <u>ERU</u>

Equivalent Residential Unit

#### **TCF**

Treatment Capacity Fee

## **WWSE**

Wastewater System Expansion

## **◆ WHY NEEDED** ▶

## WHY DID LAKE HAVASU CITY BEGIN THIS EXPANSION PROJECT?

In response to rising concerns over the need to preserve the quality of the groundwater and Lake Havasu, a Comprehensive Wastewater Master Plan was authorized by the City. When the wastewater master plan was prepared, 16% of the land within the City limits and 12% of the planning area was served by a central sewer system. The remainder utilized onsite (septic) systems to treat and dispose of the waste generated from each property. The Comprehensive Wastewater Master Plan was completed in 1998 and recommended the elimination of septic systems and the construction of a community sewer system. A bond election was held in 2001 to authorize the borrowing necessary to proceed with the WWSE Program. This bond election passed by a margin of 3 to 1.

# City Brochures

- Manganese—The New Buzzword!
- Monthly Sewer Charge Calculation— "Winter Quarter Averaging"
- Sewer System FAQs
- Surepay Plan
- Water & Trash Rates/Regulations
- Water Consumption
- Netbill

(928) 453-4146 Telephone

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## **← Fees**

#### How much does it cost?

There are two fees connected with the sewer system, a TCF and a monthly user fee.

## WHAT IS A TREATMENT CAPACITY FEE (TCF)?

The TCF is a one-time fee assessed to all new connections to the sewer system and is based upon the projected cost of wastewater treatment facilities, the capacity associated with these facilities and the number of ERUs to be served by the facilities. Council has set the TCF at \$2,000 per ERU through the end of the WWSE construction period. An ERU is defined based on water meter/service line size, i.e., all 34" services are considered to be a single ERU. Due to larger property size and higher water consumption, some properties will be required to pay a higher TCF if the meter is larger than a typical 34" meter or more than one meter is required to serve the property to City residents.

#### WHEN DO I HAVE TO PAY THE TCF?

For new construction within an already sewered area, the TCF is included with the building permit fees and is paid before construction begins.

For properties converting from septic to sewer, the TCF will be billed to the property owner within 14 days of property connection to the citywide sewer system.

The TCF is billed separately from your water bill. The utility billing system and the TCF loan billing system are separate programs, so the charges cannot be combined into one bill. Customers are allowed to pay the TCF in accordance with one of the following options:

- One Time Payment The customers will be billed within 14 days following connection and will be given 30 days to pay.
- <u>Treatment Capacity Fee Loan Program</u> The loan program is paid over a 10-year period at 4% interest.
- Community Development Block Grant (CDBG) - CDBG funding assistance is available to those meeting the income qualification requirements. For guidelines, please visit the following section of the WWSF website:

http://project5.na.amec.com/
LakeHavasuWastewater/guide.htm.

# THE RESTORATION OF MY PROPERTY IS NOT COMPLETE. DO I STILL HAVE TO PAY THE TCF?

Yes. The TCF is not a connection fee for construction services but a fee to buy into the sewer system. The City does have a retention on the construction contracts that is withheld until all items are complete, including restoration.

## I AM GOING TO BE OUT OF TOWN. CAN I PAY MY TCF LOAN IN ADVANCE?

Yes and no. Advance payments are applied to your principal balance only. A regular payment will still be due the following period. If you enroll in the City's Surepay Plan, your regular payment will be automatically deducted from your bank account on the due date; or set up recurring payments on Netbill. A link to Netbill is available on the City's website: www.lhcaz.gov.

#### WHAT IS THE MONTHLY USER FEE?

This fee is charged every month to an account with sewer service and is included on the same bill as water and trash. This fee is a consumption-based charge based on the amount of water going through the meter. Fees are calculated on either actual water consumption for the month, or a winter quarter average. While residents are encouraged to conserve water to help lower their sewer charge, each account is assessed a minimum bill if consumption does not meet minimum threshold levels and is charged every month while any water service remains active on the account. This minimum charge is approximately the equivalent of the national average daily indoor water usage for 2.4 people per household and is assessed to provide a steady cash flow into the wastewater system for operations and debt service.

## HOW IS MY MONTHLY BILL DETERMINED WITH THE WINTER QUARTER AVERAGE?

The monthly sewer bill is determined by water consumption billed during the months of January through April. The highest bill of the four months is discarded and the remaining three are averaged. This amount is the monthly amount that will be charged for the year. This average is re-calculated every year. More detailed monthly fee information can be found in the "Monthly Sewer Charge Calculation" brochure.

## WHEN I CONNECTED TO THE SEWER SYSTEM, WHY DID MY BILL DOUBLE?

You are now paying for an additional service, sewer, in addition to your other monthly charges including water and trash. Sewer charges are based on water consumption as explained in this brochure.

## MY MONTHLY BILL IS TOO HIGH. WHAT CAN I DO?

Refer to the "Monthly Sewer Charge Calculation" and "Water Consumption" brochures available at City Hall or on the City's web site at <a href="https://www.lhcaz.gov">www.lhcaz.gov</a>. Contact Customer Service at (928) 453-4146 for an analysis of your account or to schedule a visit with the City's Water Conservation Officer. They can provide you with additional tips on reducing your water consumption during the winter averaging period or evaluating alternate options for billing actual consumption.

The City is actively pursuing low cost financing and federal and state appropriations to assist in the cost of the WWSE Program. The City has already received one federal appropriation and has applied for more. City leaders realize it is a financial burden on current residents to 'retrofit' the city with a sewer system that was not installed when the City was originally developed. The rate consultants have evaluated many different financial scenarios for Council to choose from to pick the plan with the lowest financial cost.

